

Chapter 13

SROs, Marketplaces and Clearing Agencies

13.2 Marketplaces

13.2.1 Notice of Alpha Exchange Inc. and Alpha Trading Systems Limited Partnership – Republication of Comparison Chart regarding Listing Requirements

NOTICE OF ALPHA EXCHANGE INC. AND ALPHA TRADING SYSTEMS LIMITED PARTNERSHIP REPUBLICATION OF COMPARISON CHART REGARDING LISTING REQUIREMENTS

On April 15, 2011, a notice was published regarding Alpha Trading Systems Limited Partnership and Alpha Exchange Inc.'s (together, Alpha Group) Application for Recognition as an Exchange with supplementary material including a chart summarizing the key listing requirements at various exchanges. The chart was prepared on a best efforts basis by Alpha Group with the purpose of providing some general context to the listing requirements being proposed by AlphaGroup. It was not intended to be, nor is it, a detailed list of all of the requirements of each exchange. Anyone wanting detailed information should refer to the particular market's own rule book. This chart was prepared over the period of time that discussions were being held with the regulators and it has come to Alpha Group's attention that we did not take into account some amendments to the TSX Venture Exchange listing requirements which were finalized during that time period. Although Alpha Group does not think the changes are material to the application, we have revised the chart and blacklined the changes to reflect those amendments as well as corrected some typos in the original chart. The blacklined version, indicating changes made to the originally published chart, is found at Appendix A to this notice and a clean version of the revised chart is found at Appendix B. The comment period for Alpha Group's Application for Recognition as an Exchange ends on May 30, 2011.

APPENDIX A



LISTING STANDARDS COMPARISON CHART

March 28, 2011 May 04, 2011 The chart was prepared on a best efforts basis with the purpose of providing some general context (not intended to be a detailed list) to the listing requirements being proposed by Alpha Exchange Inc.

Current Summary Information for Alpha and for all other exchanges other than Alpha as of December, 2010

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
I. Original Listing						
A. Distribution						
SPIs: Investment Funds	For each series or class, at least 100,000 units outstanding.	TSX considers applications from SPIs on a case by case basis and will consider: Objectives & strategy; Nature and size of assets; Anticipated operating and financial results; Track record & expertise of managers & advisors; Level of investor & market support for the issuer.	Same as TSX and <u>Tier 1:</u> <u>1,000,000 freely tradable shares held by 250 public board lot holders</u> <u>Tier 2:</u> <u>500,000 freely tradable shares held by 200 public board lot holders</u>	Same as TSX	Global Select: Same as for non SPIs Global Market: Generally 1,100,000 shares held by 400 public board lot holders unless traded in \$1000 denominations , in which case, 100 shareholders. Nasdaq Capital: SPIs trade on Global market	Investment Trusts: 1,000,000 units held by 800 public shareholders Other: At least 1,000,000 units held by 400 public shareholders unless traded in \$1000 denominations or redeemable at holder's option on at least a weekly basis, unless the security is treated as equity (e.g. equity linked term notes)
Non SPIs	Tier 1: Public float of 500,000 shares held by 800 public board lot holders or public float of 1,000,000 shares held by 400 public board lot holders.	1,000,000 freely tradable shares held by 300 public holders	<u>Tier 1:</u> 1,000,000 freely tradable shares held by 200 public board lot holders <u>Tier 2:</u> 500,000 freely tradable shares held by 200 public board lot	At least 500,000 freely-tradable shares held by 150 public board lot holders. The public float must constitute at least 10% of the outstanding,	Global Select: 1,250,000 shares held by at least 2200 public shareholders, 450 of whom hold a board lot. Global Market: 1,100,000	Equity: At least 500,000 shares held by 800 public shareholders or 1,000,000 shares held by 400 public shareholders. Companies with 500,000 shares held by 400 holders

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>Tier 2: Public float of 1,000,000 shares held by 250 public board lot holders.</p>		<p>holders</p> <p><i>Both Tiers:</i> Public float must be at least 40% of the total outstanding and at least 20% of the <u>issued and outstanding securities must be held by public shareholders.</u></p>	<p>but can go down to 5% if there are 200 public board lot holders.</p>	<p>shares held by 400 public board lot holders</p> <p>Nasdaq Capital: 1,000,000 shares (400,000 ADRs) held by 300 public board lot holders.</p>	<p>may be eligible if average daily trading volume over past 6 months is 2000 shares.</p> <p>Preferred: 100,000 publicly held shares if common stock listed on Amex or NYSE, 400,000 shares held by 800 public shareholders if not.</p> <p>Warrants: Considered on a case-by-case basis must have at least 200,000 warrants held by public warrant holders and underlying must be listed on Amex or NYSE.</p> <p>Currency and Index Warrants: At least 1,000,000 warrants held by 400 public warrant holders or 2,000,000 held by a smaller number determined on a case-by-case basis.</p> <p>Other: At least 1,000,000 units held by 400 public shareholders unless traded in \$1000 denominations or redeemable at holder's option on at least a weekly</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
						basis. Foreign: <i>Canadian issuers:</i> same as US but both Canadian and US public holders counted. <i>Other:</i> 1,000,000 shares held worldwide by 800 worldwide shareholders
Initial Listing – Technology and R&D Alternative Distribution	Not separate Category but alternative test for Tier 2: Public float of 1,000,000 shares held by 200 public board lot holders.	Market value of \$50 million and public float of \$10 million (technology issuers only)	No alternative test	No alternative test	No alternative test	No alternative test
B. Minimum Price/ Float Market Value						
SPIs:	<i>Issuers other than investment funds—</i> Issuer must be listed and must have a market capitalization of at least \$150 million.				Global Select: <i>Minimum Public Float Value:</i> \$110 million or \$100 million if stockholders' equity of \$110 million <i>Closed-end management investment company:</i> \$70 million. If listed with other funds in the family, total of \$220 million for the family and average of \$50 million for each fund and minimum of \$35 million. Global Market: Generally, \$4 million.	Closed End Management Investment Companies: \$20 million public float value or net asset value or, if part of a group, \$10 million public float or net asset value or average for group of \$15 million. Other: \$4 million public float value
Non SPIs	<i>Tier 1: Minimum Public Float Value—</i>	<i>Minimum Public Float Value—</i> \$4 million	<i>Tier 1: Minimum Public Float Value—</i>	<i>Minimum Public Float Value—</i> \$50,000	Global Select: <i>Minimum Public Float</i>	Equity: <i>Minimum Price—</i> Listing standard 3: \$2

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>\$3,000,000.</p> <p><i>Tier 2: Minimum Public Float Value—</i> \$1,000,000.</p>		<p>\$1,000,000</p> <p><i>Tier 2: Minimum Public Float Value—</i> \$1,000,000</p> <p>Exchange will use discretion if shares issued at less than <u>\$0.005</u> prior to listing.</p> <p><u>If seed share price is lower than 75% of IPO price various categories of escrow release periods apply.</u></p>	<p>IPO price cannot be less than \$0.10 per share</p> <p>Builders shares (shares issued to insiders for which a hard value cannot be established) cannot have been issued for less than \$0.005 in the previous 18 months. Exchange will use discretion with respect to builder shares issued between \$0.005 and \$0.02.</p>	<p><i>Value:</i></p> <p>\$110 million or \$100 million if stockholders' equity of \$110 million or market value of \$45 million for IPO or spinoff of other Global Select issuer</p> <p>Global Market: See assets</p> <p>Nasdaq Capital: See assets</p>	<p>Listing Standards 1, 2 and 4: \$3</p> <p><i>Public Float Value —</i> Listing Standard 1: \$3,000,000 Listing standards 2 & 3: \$10 million Listing Standard 4: \$20 million</p> <p><i>Market Capitalization:</i> Listing standard 3: \$50 million Listing standard 4: \$75 million</p> <p>Preferred: \$10 price, \$2 million public float value if common listed on Amex or NYSE, \$4 million if not</p> <p>Currency or Index</p> <p>Warrants: Initial price of \$6 with aggregate public float value of \$12 million.</p> <p>Bonds: \$5 million public float value</p> <p>Other: \$4 million public float value</p> <p>Foreign: <i>Canadian issuers:</i> same as US but both Canadian and US public holders counted.</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
						Other: \$3 million worldwide
Tech/R&D Alternative	Not separate category but alternative test for Tier 2: Minimum Public Float Value — \$1 million.	Market value of \$50 million and public float of \$10 million (technology issuers only).	No alternative test	No alternative test	No alternative test	No alternative test

C. Assets/Operations

SPIs: Investment Funds	<i>Investment funds</i> — Net tangible assets (NTA) of \$10 million or NTA of \$1 million that is part of a group with aggregate NTA of \$20 million and all are listed.	TSX considers applications from SPIs on a case by case basis and will consider Objectives & strategy; Nature and size of assets; Anticipated operating and financial results; Track record & expertise of managers & advisors; Level of investor & market support for the issuer.	Real Estate/Investment Companies: <u>Tier1:</u> - net tangible assets of \$5 million <u>\$10 million NTA</u> - a publicly-disclosed investment policy and strategy, acceptable to the exchange, the includes the applicant's (i) investment strategies and criteria; (ii) diversification requirements; (iii) conflict of interest provisions; and (iv) contractual rights of access to the books and records of investees; - for investment issuers, a board or advisory board comprised of individuals with adequate backgrounds and experience demonstrating sufficient expertise in making investment	Investment companies: NTA of \$4 million or NTA of \$2 million, at least 50% of which has been allocated to at least 2 specific investments.	Global Select: No requirement for closed-end management investment companies Global Market: Generally, if company meets the income test in "other", more than \$100 million in assets and stockholders' equity of \$10 million. If company does not meet income test, either \$200 million in assets and equity of \$10 million, or \$100 million in assets and equity of \$20 million	In addition to the regular original listing requirements: Closed End Management Investment Companies: \$20 million public float value or net asset value or, if part of a group, \$10 million public float or net asset value or average for group of \$15 million. Currency and Index Warrants: Minimum tangible net worth of \$250,000,000 or \$150 million and original listed price of all listed warrants is more than 25% of net worth. Specific tests for different types of securities. Other Assets of \$100 million and stockholders' equity of \$10 million or, if unable to satisfy earnings criteria, assets of \$200 million and stock
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	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			<p>decisions; and – for investment issuers, at least 50% of the applicant's available funds have been allocated to a minimum of two specific investments.</p> <p><i>Tier 2:</i> net tangible assets of \$2 million; – a publicly- NTA or \$3 million arm's length financing, disclosed investment policy and strategy; acceptable to the exchange; that includes (i) the applicant's investment strategies and criteria; (ii) diversification requirements; (iii) conflict of interest provisions; and (iv) contractual rights of access to the books and records of investees; – for investment issuers, a board or advisory board comprised of individuals with adequate backgrounds and experience demonstrating sufficient expertise in making investment decisions; and for investment issuers, at least</p>			<p>holders' equity of \$10 million or assets of \$100 million and stockholders' equity of \$20 million.</p> <p>Investment Trusts: Total assets of \$100 million and net worth of \$10 million</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			<p>50% of the applicant's available funds have been <u>must be</u> allocated to a minimum of two specific investments.</p> <p>Real Estate: <u>Tier 1:</u> -\$5 million NTA -significant interest in real property</p> <p><u>Tier 2:</u> -\$2 million NTA or \$3 million arm's length financing -significant interest in real property</p>			
Non SPIs	We do not have an asset requirement for non-SPIs.	<p>Industrial Exempt: Net tangible assets of \$7.5 million.</p> <p>Non-exempt: - Profitable companies must have net tangible assets of \$2 million. - Companies with less than \$2 million in NTA may qualify if they meet the earnings and cash flow requirements for exempt companies. - Companies forecasting profitability must have net tangible assets of \$7.5 million</p> <p>Tech companies</p>	<p>Tech/ Industrial Tier 1: <u>Category 1:</u> - net tangible assets of \$1,000,000; or category 2: net tangible assets <u>5 million or revenue of \$5,000,000 million</u> <u>OR Category 3: No NTA requirement</u> -significant interest in <u>business or asset used to carry on business</u> -<u>history of operations or validation of business;</u> OR <u>Category 2:</u> -net tangible assets of \$5,000,000 OR <u>Category 3:</u> No NTA requirement</p>		<p>Global Market: <u>Listing Standard 1:</u> Annual income from continuing operations before income taxes of at least \$1,000,000 in the most recent fiscal year or two of the three previous, stockholders' equity of \$15 million and public float value of \$8 million OR <u>Listing Standard 2:</u> Stockholders' equity of \$30 million, two year operating history and public float value of \$18 million OR <u>Listing</u></p>	<p><u>Listing Standards 1, 2 & 3:</u> Stockholders' equity of \$4 million</p> <p><u>Listing Standard 4:</u> Total assets of \$75 million in last fiscal year, of 2 of its last 3 fiscal years.</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		<p><i>Non-exempt:</i> -Evidence that the company's products and services are at an advanced stage of development of commercialization and that the company has the necessary management expertise and resources to develop the business.</p> <p>R&D companies must have technical expertise and resources to advance its program, and a minimum two-year operating history that includes research and development activities.</p>	<p><i>Tier 2:</i> <u>Category 1:</u> -net tangible assets of 5000,000 OR <u>Category 2:</u> - net tangible assets of \$750,000; <u>OR</u> <u>Category 3: net tangible assets or revenue of \$500,000 or arm's length financing of \$750,000; 2 million</u> <u>OR</u> <u>Category 2:</u> -net tangible assets of \$750,000; <u>OR</u> <u>Category 3:</u> -net tangible assets of \$750,000; <u>-significant interest in business or asset used to carry on business</u> <u>-history of operations or validation of business</u> -sufficient testing of any technology to demonstrate commercial viability;</p>		<p><u>Standard 3:</u> Market cap of \$75 million (with a minimum price of \$4) and public float value of \$20 millions <u>OR</u> <u>Listing Standard 4:</u> Total assets and revenues of \$75 million each for the most recent fiscal year or two of the three most recent.</p> <p>Nasdaq Capital: <u>Listing Standard 1:</u> Stockholders' equity of \$5 million, public float value of \$15 million and two-year operating history <u>Listing Standard 2:</u> Market cap of \$50 million (minimum price \$4), stockholders equity of \$4 million and public float worth \$15 million <u>Listing Standard 3:</u> Net income from continuing operations of \$750,000 in the past fiscal year or two of the three past, stockholders' equity of \$4 million and public float worth \$5 million</p>	

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
Other – Mining	We do not have a separate category.	<p><i>Exempt</i> Net tangible assets of \$7.5 million,</p> <p><i>Non-exempt</i> Producing mining companies must have net tangible assets of \$4 million. Exploration and development-stage companies must have net tangible assets of \$3 million, Must hold or have a right to earn a 50% interest in the qualifying property.</p>	<p><u>Tier 1:</u> <u>Category 1:</u> - net tangible assets of \$2,000,000 OR <u>Category</u> <u>-material interest in a Tier 1 property with a work program with an initial phase of not less than \$500,000 and satisfaction of other Tier 1 property requirements</u></p> <p><u>Tier 2:</u> - No NTA requirement <u>-significant interest in a qualifying property or right to earn one.</u> <u>-At least \$100,000 in expenditures on qualifying property in previous 36 months and work program with initial phase of \$200,000</u></p>	Title to a property on which there has been exploration and a report complying with NI 43-101 recommends further exploration.	No separate category for mining	No separate category for mining
Other – Oil & Gas	We do not have a separate category.	See reserves	<p><u>See Tier 1:</u> <u>-no NTA requirement satisfactory work program of \$500,000 for exploration issuers and which can reasonably be expected to increase reserves</u></p> <p><u>Tier 2:</u> <u>-no NTA requirement</u> <u>-unproven property with prospects.</u></p>	Title to a property on which there has been exploration and a report complying with securities law recommends further exploration.	No separate category for oil & gas	No separate category for oil & gas

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			<p><u>\$1.5 million allocated in a work program or</u> <u>- joint venture interest and \$5 million raised in prospectus offering.</u> <u>- satisfactory work program of at least \$300,000 if proved developed producing reserves are less than \$500,000.</u></p>			
Other – R & D	We do not have a separate category.	<p>Tech Exempt Same as industrial</p> <p><i>Non-exempt</i> Evidence that the company's products and services are at an advanced stage of development of commercialization and that the company has the necessary management expertise and resources to develop the business. R&D companies must have technical expertise and resources to advance its program. And a minimum two-year operating history that includes research and development activities.</p>	<p><i>Tier 1: Same as industrial</i> - a satisfactory recommended research and development work program of \$1 million; - net tangible assets of \$5 million; - at least \$1 million in expenditures for prior research and development costs (other than general or administrative expenses) on the technology or product which is the subject of the work program</p> <p><i>Tier 2:</i> a satisfactory recommended research and development work program of \$500,000; - net tangible assets of \$750,000; - at least \$500,000 in</p>	No separate category for R & D	No separate category for R & D	No separate category for R & D

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			expenditures for prior research and development costs (other than general or administrative expenses) on the technology or product which is the subject of the work program			
D. Working Capital/Income						
SPIs: Investment Funds	Adequate working capital to carry on business and an appropriate capital structure.	Adequate working capital to carry on business and an appropriate capital structure.	Real Estate/ Investment Tier 1: - adequate working capital and financial resources for 18 months <u>and \$200,000 in unallocated funds.</u> Tier 2: - adequate working capital and financial resources for 12 months; <u>and \$100,000 in unallocated funds.</u>	A recent history as a listed company and working cap of \$50,000 or a minimum of \$100,000	Global Select: No requirement for closed-end management investment companies Global Market See assets	
Non SPIs	Adequate working capital to carry on business and an appropriate capital structure.	Industrial Adequate working capital to carry on business and an appropriate capital structure. Technology: Non-exempt: - At least \$10 million in the treasury, the	<u>Tier 1: Same as SPIs Category 1:</u> ⁴ - adequate working capital and financial resources to carry on business for 18 months. ² -OR <u>Category 2:</u> - adequate	A recent history as a listed company and working cap of \$50,000 or a minimum of \$100,000	Global Select: <u>Category 1:</u> Aggregate income from continuing operations before income tax of \$11 million over the three prior fiscal years, positive income from	<u>Listing Standard 1:</u> Pre tax income from continuing operations of \$750,000 in last fiscal year or 2 of 3 last fiscal years. <u>Listing Standard 2:</u> No specific

¹ Companies must meet all of the requirements of Category 1, 2 or 3. They cannot mix and match.

² "Financial resources" refers generally only to the ability to pay from cash flow all general and administrative expenses and costs reasonably required pursuant to the issuer's business plan. (TSX Venture Policy 1.1, definition of "financial resources").

³ The exchange will normally consider this requirement to be met where the applicant has historically generated positive cash flow (TSX Venture Policy 2.1 s. 4.12).

⁴ Companies must meet all of the requirements of Category 1, 2 or 3. They cannot mix and match.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		majority of which was raised in a prospectus offering, - adequate funds to cover all planned development and capital expenditures and general and administrative expenses for at least one year, Research and Development Companies must have a minimum of \$12 million in treasury and Adequate funds to cover operations (including all planned research and development expenditures) for a period of at least 2 years,	working capital and financial resource to carry out the program identified in the plan, including funding any acquisition, growth or expansion plans; -adequate working capital to satisfy general and administrative expenses for at least 18 months; ³ and -at least \$100,000 in unallocated funds. OR <u>Category 3:</u> -adequate working capital and financial resources to carry on business for 18 months; and -net income of \$200,000 before extraordinary items and after all charges except income tax in the fiscal year preceding the application or -a minimum average net income of \$200,000 for at least two of the three preceding fiscal years.		continuing operations before income tax in each of the prior three fiscal years and \$2.2 million income from continuing operations before income taxes in each of the two most recent fiscal years OR <u>Category 2:</u> Aggregate cash flows of \$27.5 million over the prior three fiscal years, average market cap of \$550 million over the prior 12 months and total revenue of \$110 million in previous fiscal year OR <u>Category 3:</u> Average market cap of at least \$850 million over the prior 12 months and total revenue of at least \$90 million in the prior fiscal year OR <u>Category 4:</u> Market cap of \$160 million, total assets of \$80 million and stockholders' equity of \$55 million.	requirement, but must have two years of operations.
			<u>Tier 2:</u> <u>Category 1:</u> ⁴ -adequate		Global Market: See assets	

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			financial resources to carry on business for 12 months. OR <u>Category 2:</u> –adequate working capital and financial resource to carry out the program identified in the plan, including funding any acquisition, growth or expansion plans; –adequate working capital to satisfy general and administrative expenses for at least 12 months; and –at least \$100,000 in unallocated funds. OR <u>Category 3:</u> –expenditures of \$250,000 on the development of the product or technology by the applicant in the preceding 12 months; –adequate working capital and financial resource to carry out the program identified in the plan, including funding any acquisition, growth or expansion plans;		Nasdaq Capital: See assets	

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			-adequate working capital to satisfy general and administrative expenses for at least 12 months; and -at least \$100,000 in unallocated funds.			
Other – Mining	We do not have a separate category.	<p><i>Exempt:</i> Adequate working capital and an appropriate capital structure.</p> <p><i>Non-exempt:</i> At least \$2 million in working capital</p>	<p><u>Tier 1:</u> Same as SPLs Category 1.⁵ -adequate working capital and financial resources to (a) conduct the recommended work program; (ii) satisfy general and administrative expenses for 18 months; (iii) maintain the property and any other properties on which the applicant will spend more than 20% of its available funds⁶ in good standing for 18 months; and - \$100,000 in unallocated funds. OR <u>Category 2:</u> -adequate working capital and financial resources to conduct the</p>	Same as industrial	No separate category for mining	No separate category for mining

⁵ A company must meet all the requirements of Category 1, 2 or 3. It cannot mix and match.

⁶ "Available funds" is defined as the estimated working capital available to the applicant, its subsidiaries and proposed subsidiaries as of the end of the most recent month and the amounts and sources of other funds that will be available to the issuer following the IPO. (TSX Venture Policy 1.1, definitions of "available funds" and "principal property").

⁷ "Available funds" is defined as the estimated working capital available to the applicant, its subsidiaries and proposed subsidiaries as of the end of the most recent month and the amounts and sources of other funds that will be available to the issuer following the IPO. (TSX Venture Policy 1.1, definitions of "available funds" and "principal property.")

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			<p>business plan recommended by the feasibility study and to satisfy general and administrative expenses for at least 18 months; and</p> <ul style="list-style-type: none"> - at least \$100,000 in unallocated funds. <p><i>Tier 2:</i></p> <ul style="list-style-type: none"> - spent a minimum of \$100,000 in exploration and development on the qualifying property in the previous year or have made sufficient expenditures to demonstrate that it is an advanced exploration property; - adequate working capital to (i) conduct the recommended work program, (ii) satisfy general and administrative expenses for 12 months, and (iii) maintain the property and any other properties on which the applicant will spend more than 20% of its available funds⁷ in good standing for 12 months; and - at least 			

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			\$100,000 in unallocated funds.			
Other – Oil & Gas	We do not have a separate category.	<p><i>Exempt:</i> Adequate working capital and an appropriate capital structure.</p> <p><i>Non-exempt:</i> Adequate funds to execute the program and cover all other capital expenditures as well as general, administrative and debt service expenses, for a period of 18 months with an allowance for contingencies.</p>	<p><u>Tier 1: Same as SPIs</u> –adequate working capital and financial resources to carry out the business, subject to a minimum of \$500,000.</p> <p><u>Tier 2:</u> <u>Category 1:</u>⁸ –adequate working capital and financial resources for 12 months. OR <u>Category 2:</u> –adequate working capital and financial resources to (i) complete the recommended work program (joint venture or otherwise) and (ii) meet general and administrative expenses for 12 months; and –at least \$100,000 in unallocated funds. OR <u>Category 3:</u> –allocation of a minimum of \$1.5 million of the applicant's funds to a joint venture or other satisfactory recommended exploration</p>	Same as industrial	No separate category for oil & gas	No separate category for oil & gas

⁸ Companies must meet all of the requirements for Category 1, 2 or 3. They cannot mix and match.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			program; – adequate working capital to (i) complete the applicant's portion of the work program and (ii) satisfy general and administrative expenses for 12 months; and – at least \$100,000 in unallocated funds.			
Other – R & D	We do not have a separate category but an alternative test for Technology and R&D for Tier 2: bona fide research and development expenses of at least \$250,000 in each of the previous two fiscal years.	No separate category for R & D	<p><u>Tier 1: Same as SPLs</u> – adequate working capital and financial resources to (i) conduct the work program and (ii) satisfy general and administrative expenses for 18 months; and – at least \$100,000 in unallocated funds.</p> <p><u>Tier 2:</u> – adequate working capital and financial resources to (i) conduct the work program and (ii) satisfy general and administrative expenses for 12 months; and – at least \$100,000 in unallocated funds.</p>	No separate category for R & D	No separate category for R & D	No separate category for R & D

E. Earnings from Ongoing Operations / Cash Flow

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
SPIs: Investment Funds				Same as industrial	Global Select: See working cap Global Market See assets	
Non SPIs	<p>Tier 1: Pre-tax cash flow from continuing operations of at least \$700,000 in its last fiscal year</p> <p>Tier 2: Pre-tax cash flow from continuing operations of at least \$200,000 in its last fiscal year</p> <p>Commentary: if the issuer has experienced significant losses in any of last 3 fiscal years, Alpha will review the pre-tax cash flow for an additional two years.</p>	<p>Industrial Exempt Earnings from ongoing operations of at least \$300,000 - Pre-tax cash flow of at least \$700,000 in the preceding fiscal year and an average annual pre-tax cash flow of \$500,000 for the two preceding fiscal years.</p> <p><i>Non-exempt</i> Profitable companies must have earnings from ongoing operations of at least \$200,000 before taxes and extraordinary items in the fiscal year immediately preceding the application, and - pre-tax cash flow of at least \$500,000 in the fiscal year preceding the application. Companies forecasting profitability must have evidence of earnings from ongoing operations for the current or next fiscal</p>	<p>Tech/ Industrial Tier 1: <u>Category 1:</u> -net income of \$100,000 before extraordinary items and after all charges except income tax in the fiscal year preceding the application or -a minimum average net income of \$100,000 before extraordinary items and after all charges except income tax for at least two of the three preceding fiscal years. OR <u>Category 2:</u> -a 24-month management plan outlining the development of the business demonstrating that the applicant's product, service or technology is sufficiently developed that there is a reasonable expectation of earnings from its business within the next 24 months; OR <u>Category 3:</u></p>	Operating companies must have achieved revenues from the sale of goods and if not profitable, have a business plan that demonstrates a reasonable likelihood of profitability. Non-operating companies must have a reasonable plan to develop an active business and the financial resources to carry out the plan (achieve limited objectives that will advance their development to the stage where financing is typically available.	<p>Global Select: See working cap Global Market See assets Nasdaq Capital: See assets</p>	

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		<p>year of at least \$200,000. - They should also have at least six months of operating history, including gross revenues at commercial levels for the preceding six months.</p>	<p>- net income of \$200,000 before extraordinary items and after all charges except income tax in the fiscal year preceding the application or - a minimum average net income of \$200,000 for at least two of the three preceding fiscal years. <u>net tangible assets of \$5 million or revenue of \$5 million</u></p> <p><i>Tier 2:</i> <u>Category 1:</u> - net income of \$50,000 before extraordinary items and after all charges except income tax in the fiscal year preceding the application or - a minimum average net income of \$50,000 for at least two of the three preceding fiscal years. OR <u>Category 2:</u> - revenues derived from commercial operations in the previous 12 months of at least \$250,000 - a 24-month management plan outlining the development of the</p>			

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			<p>business demonstrating that the applicant's product, service or technology is sufficiently developed that there is a reasonable expectation of revenue within the next 24 months;</p> <p>OR</p> <p><u>Category 3:</u> - a working prototype of any industrial product; <u>net tangible assets of 750,000 or revenue of \$500,000 or \$2 million of arm's length financing</u></p> <p><u>Both Tiers:</u> - a 24-month management plan outlining the development of the business demonstrating that the applicant's product, service or technology is sufficiently developed that there is a reasonable expectation of revenue within the next 24 months. <u>If no revenue must provide a plan demonstrating likelihood of revenue within 24 months.</u></p>			
Other – Mining	We do not have a	<i>Exempt</i> Pre-tax	No specific requirement	Same as industrial	No separate category for	No separate category for

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	separate category.	profitability from ongoing operations in the fiscal year immediately preceding the filing of the listing application, - Pre-tax cash flow of \$700,000 in the previous fiscal year and an average annual pre-tax flow of \$500,000 for the two preceding fiscal years.			mining	mining
Other – Oil & Gas	We do not have a separate category.	<i>Exempt</i> Pre-tax profitability from ongoing operations in the fiscal year preceding the application, pre-tax cash flow of \$050,000 <u>700,000</u> in the previous fiscal year and an average annual pre-tax cash flow of \$500,000 for the two preceding fiscal years.	No specific requirement	Same as industrial	No separate category for oil & gas	No separate category for oil & gas
Other – R & D	We do not have a separate category but an alternative test for Tier 2: treasury of at least \$5M.	No separate category for R & D	No separate category for R & D	No separate category for R & D	No separate category for R & D	No separate category for R & D
F. Reserves						
SPIs: Investment Funds	N/A	N/A	N/A	N/A	N/A	N/A
Non SPIs	N/A	N/A	N/A	N/A	N/A	N/A
Other - Mining	N/A (no exploration)	<i>Exempt:</i> Proven and	<i>Tier 1:</i> <u>Category 1:</u>	Title to a property on	No separate category for	No separate category for

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	companies qualify)	<p>profitable reserves to provide a mine life of at least 3 years.</p> <p><i>Non-Exempt:</i> Producing mining companies must have proven and probable reserves to provide a mine life of at least three years, together with evidence indicating a reasonable likelihood of future profitability;</p> <p>be in production or have made a production decision on the qualifying project or mine.</p> <p>Industrial mineral companies (i.e. the minerals produced are not readily marketable) will normally be required to submit commercial contracts to demonstrate a reasonable likelihood of future profitability, unless the company is presently generating revenues from production.</p> <p>Exploration and development-</p>	<p>-a mineral interest in an advanced exploration property, which is one that has substantial geological merit but is not advanced to the point where sufficient engineering and economic data exist to permit an acceptable valuation option</p> <p><u>No reserve requirement.</u></p> <p>an independent geological report recommends a drilling or detailed sampling program based on the merit of the previous results; a geological report recommending a work program on the property of at least \$500,000.</p> <p>OR</p> <p><u>Category 2:</u> -a mineral interest in a property with proven and/or probable reserves providing for a mine life of at least 3 years; and a positive feasibility study.</p>	<p>which there has been exploration and a report complying with NI 43-101 recommends further exploration.</p>	<p>mining</p>	<p>mining</p>

⁹ TSX Venture Policy 1.1, definition of "qualifying property."

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		stage companies must have net tangible assets of \$3 million, an advanced property (generally, one in which continuity of mineralization is demonstrated in three dimensions at economically interesting grades),	<p><i>Tier 2:</i></p> <ul style="list-style-type: none"> - a minimum 50% interest in a qualifying property, which is the property on which it is relying to meet the minimum listing requirements,⁹ or - be the operator of the property with a satisfactory joint venture agreement to protect the applicant's interest in the property; - a geological report recommending a minimum \$200,000 non-contingent work program on the property. <u>No reserve requirement.</u> 			
Other – Oil & Gas	N/A (no exploration companies qualify)	<p><i>Exempt:</i> Proved developed reserves of \$7.5 million,</p> <p><i>Non-exempt:</i> Proved developed reserves¹⁰¹ of \$3 million a clearly defined program which can reasonably be expected to increase reserves</p>	<p><i>Tier 1:</i> a geological report demonstrating proven reserves (producing or non-producing) with a present value of \$2 million, based on constant dollar pricing assumptions discounted at 15%. <u>Exploration companies: \$3 million in developed and probable reserves, with at least \$1</u></p>	Title to a property on which there has been exploration and a report complying with securities law recommends further exploration.	No separate category for oil & gas	No separate category for oil & gas

⁴⁰¹ Reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure, when compared to the cost of drilling a well, to put the reserves on production.

¹¹ A one-well drilling program will generally not be acceptable. (TSX Venture Policy 2.1 s. 4.7(c)(i)).

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			<p><u>million developed. Producing companies: \$2 million in proved developed reserves</u></p> <p><i>Tier 2:</i> <u>Category 1:</u> - at least <u>Either \$500,000 proven proved developed producing reserves based on constant dollar pricing assumptions discounted at 15%; or \$750,000 in proved and probable reserves.</u> - a geological report recommending further development or production; OR <u>Category 2:</u> - proven and probable reserves (producing or non-producing) with a present value of \$750,000 based on constant dollar pricing assumptions, with proven reserves discounted at 15% and probable reserves discounted a further 50%; - a geological report recommending a minimum development program of</p>			

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			\$300,000; OR <u>Category 3:</u> -a satisfactorily diversified exploration program recommended by the geological report;14			
G. Escrow						
SPIs: Investment Funds and Non SPIs	Governed by NP 46-201. Alpha issuers must have an escrow agreement that complies with the provisions of NP 46-201 respecting "established" issuers.	Governed by NP 46-201 and their own rules for non-exempt issuers. TSX junior issuers are considered "established" issuers. For exempt issuers no escrow necessary (<u>Investment Funds</u>).	Governed by NP 46-201 and their own rules. TSXV level <u>Tier</u> 1 issuers are considered "established" issuers. All others are "emerging" issuers.	Not required except for backdoor listings. Otherwise, governed by NP 46-201. CNSX issuers are considered "emerging" issuers.		
II. International Companies						
SPIs and Non SPIs	Must be listed on a recognized and acceptable foreign exchange. Jurisdictions that are members of the IOSCO Technical Committee are deemed to be acceptable. Exemption from all or some Handbook requirements if subject to substantially similar regulatory and exchange listing regime as in Canada as well as similar requirements as those contained in the Listing Handbook.	Must be listed on a recognized and acceptable exchange. Must demonstrate to exchange that it is able to comply with Canadian reporting and public company standards. This can be done if a board or management member or a consultant or employee is resident in Canada.	No specific requirements	No specific requirements		Public distribution requirements modified (see above), otherwise must meet original listing requirements. Exchange may reject companies with foreign ownership restrictions.
III. Disclosure						
General	All exchanges require listed companies to promptly disclose material information publicly. While the list of					

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>specific events requiring disclosure vary from market to market, in practice they won't often if ever have a result where something is material to one exchange and not to another. The one exchange that is somewhat different from the others is Nasdaq, as it ties its disclosure requirements to the SEC's Regulation FD and doesn't go beyond that.</p> <p>Exchanges generally require listed companies to file any periodic disclosure filed with a securities commission.</p>					
	<p>Issuer must give notice of any transaction involving or potentially involving an issuance of listed shares and post details in the appropriate form on the exchange website. Form includes certificate of compliance with applicable rules.</p> <p>Issuer must give prior notice of corporate actions affecting listed shareholders but not requiring exchange approval (e.g. dividends, transfer agent changes, redemptions).</p> <p>Issuer must give notice of any transaction considered a "significant transaction" and post details in the appropriate form on the exchange website. Form includes certificate of compliance with applicable rules.</p> <p>Above notices have to be posted at least 5 business days before the</p>	<p>Issuer must give notice of any transaction requiring exchange approval.</p> <p>Issuer must give prior notice of corporate actions affecting listed shareholders but not requiring exchange approval (e.g. dividends, transfer agent changes, redemptions).</p> <p>Issuer must report share issuances on a monthly basis.</p>	<p>Issuer must give notice of any transaction requiring exchange approval.</p> <p>Issuer must give prior notice of corporate actions not requiring exchange approval (e.g. dividends, transfer agent changes)</p> <p>Issuer must report share issuances on a monthly basis.</p>	<p>Issuer must give notice of any transaction involving or potentially involving an issuance of listed shares and post details in the appropriate form on the exchange website. Form includes certificate of compliance with applicable rules.</p> <p>Issuer must give notice of any transaction considered a "significant transaction" and post details in the appropriate form on the exchange website. Form includes certificate of compliance with applicable rules.</p> <p>Issuer must file monthly and quarterly updates (which include details of share issuances) and annually update listing statement and MD&A.</p>	<p>Issuer must give prior notice of corporate actions affecting listed shareholders but not requiring exchange approval (e.g. dividends, transfer agent changes)</p> <p>Issuer must report share issuances on a monthly basis.</p>	<p>Issuer must give prior notice of corporate actions affecting listed shareholders but not requiring exchange approval (e.g. dividends, transfer agent changes)</p> <p>Issuer must report share issuances on a monthly basis.</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>transaction takes place.</p> <p>Issuer must report share issuances on a quarterly basis and provide financial statements and MD&A in accordance with the requirements and filing deadlines.</p>					

IV. Corporate Transactions

A. General	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>Issuer must give notice of any transaction involving or potentially involving an issuance of listed shares, any transaction deemed a "significant transaction" and backdoor listings and post details in the appropriate form on the exchange website. No exchange approval of transactions, shareholder approval of certain transactions (described below)</p>	<p>Issuer must apply to list any shares to be issued and exchange must approve. Non-exempt issuers must obtain approval for material transactions. Shareholder approval required for certain transactions (described below).</p>	<p>Issuers must obtain approval for any share issuances or material transactions. Shareholder approval required for certain transactions (described below).</p>	<p>Issuer must give notice of any transaction involving or potentially involving an issuance of listed shares, any transaction deemed a "significant transaction" and backdoor listings and post details in the appropriate form on the exchange website. No exchange approval of transactions, shareholder approval of backdoor listings</p>	<p>Issuer must give 15 days prior notice before -establishing or materially amending a stock option or other equity compensation plan -issuing securities that may result in a change of control -issuing shares in an M&A transaction if an insider has a 5% interest in the other company or insiders as a group have a 10% interest -transactions that may result in the issuance of more than 10% of the outstanding [intuitively this seems to be incomplete, but I can't find any other requirements] No specific requirements other than shareholder approval (detailed below)</p>	<p>Issuer must apply to list any shares to be issued. The rules set out required disclosure depending on the transaction, but the forms are not posted on the website. No exchange approval or restrictions on pricing etc., but shareholder approval requirements (detailed below).</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
B. Private Placements	Maximum permitted discount: 25% if market price \$0.50 or less, 20% if \$0.51-\$2, 15% if above \$2. Can issue at greater discount with disinterested shareholder approval.	Maximum permitted discount: 25% if market price \$0.50 or less, 20% if \$0.51-\$2, 15% if above \$2. Can issue at greater discount with disinterested shareholder approval.	Maximum permitted discount: 25% if market price \$0.50 or less, 20% if \$0.51-\$2, 15% if above \$2. Cannot be priced below \$0.05.	Maximum permitted discount: 25% if market price \$0.50 or less, 20% if \$0.51-\$2, 15% if above \$2. Cannot be priced below \$0.05.		
C. Warrants	<u>Unlisted</u> Cannot be exercisable at less than market price and cannot allow for purchase of more shares than issued in private placement for which it is a sweetener. Cannot do a bare issuance of warrants. <u>Listed</u> Underlying must be listed, must have at least 100 warrant holders holding 100 warrants and 100,000 in total, warrant trust indenture must contain anti-dilution provisions.	<u>Unlisted</u> Cannot be exercisable at less than market price and cannot allow for purchase of more shares than issued in private placement for which it is a sweetener. Cannot do a bare issuance of warrants. <u>Listed</u> Considered on a case-by-case basis. Underlying must be listed, must have at least 100 warrant holders holding 100 warrants and 100,000 in total, warrant trust indenture must contain anti-dilution provisions.	<u>Unlisted</u> Cannot be exercisable at less than the greater of the specified premium over market price and \$0.10 and cannot allow for purchase of more shares than issued in private placement for which it is a sweetener. Cannot do a bare issuance of warrants. <u>Listed</u> <u>At least 200,000 Warrants held by 75 board lot holders.</u>	<u>Unlisted</u> Cannot be exercisable at less than market price and cannot allow for purchase of more shares than issued in private placement for which it is a sweetener. Cannot do a bare issuance of warrants.	Can only be listed if underlying listed	
D. Incentive and Compensation Options	Cannot be at a discount to market at time granted. Cannot be priced if undisclosed material information.	Cannot be at a discount to market at time granted. Cannot be priced if undisclosed material information. Limits <u>(set by</u>	Cannot be at a greater discount to market at time granted than permitted for private placement. Cannot be priced if	Cannot be at a discount to market at time granted. Cannot be priced if undisclosed material information. Terms cannot		

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		Issuer) on how many options may be subject to the plan or granted to one recipient.	undisclosed material information. Limits on how many options may be subject to the plan or granted to one recipient.	be changed once issued – issuer must cancel and wait 30 days before granting new option.		
E. Issued to Charities		May be issued for no consideration on a de minimis basis	May be issued for no consideration on a de minimis basis			
F. Rights Offerings	Rights must be transferable and issued on a one right per share basis. Offering must be unconditional. Beneficial holders must have same rounding up privilege as registered.	Rights must be transferable and issued on a one right per share basis. Offering must be unconditional. Beneficial holders must have same rounding up privilege as registered.	Rights must be transferable and issued on a one right per share basis. Offering must be unconditional. Beneficial holders must have same rounding up privilege as registered.	Rights must be transferable and issued on a one right per share basis. Offering must be unconditional.		
G. Prospectus Offerings	Pricing and shareholder approval requirements for private placements apply to prospectus offerings.	Exchange has discretion to apply pricing and shareholder approval requirements for private placements to prospectus offerings.	Price should not be more than 20% discounted from market and cannot be below \$0.05. If a unit with warrants, warrants must be exercisable at market price. Agent and underwriter compensation regulated. Exchange also has a short-form offering document that is exempt from the prospectus requirements in some provinces.			
H. Shares for	Treated as	Treated as	Treated <u>in a</u>	Treated as		

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
Debt	private placements	private placements	<u>separate category but in essential aspects of pricing and shareholder approval are the same as private placements, but issuer, Issuer must certify that cash not available to pay the debt.</u>	private placements		
I. Other Transactions Regulated	Name Changes Share Reclassifications, Consolidations and Splits, Take-over bids, Issuer bids, Transactions with related parties worth more than 10% of market cap. Loans to issuer other than by a financial institution. Payments of Bonuses, Finders' Fees or Commission. [Note: disclosure requirement only, exchange does not approve transactions].	<i>All issuers:</i> Stock Exchange Take-Over Bids and Issuer Bids Normal Course Issuer Bids Sales from Control Block Small Shareholder Arrangements Name Changes Share Reclassifications, Consolidations and Splits <i>Non-exempt issuers:</i> Exchange must approve proposed material changes as defined in timely disclosure policy. If consideration to insiders is more than 2% of market cap, must be approved by board and supported by an independent	<u>Includes:</u> Loans by Issuer Payments of Bonuses, Finders' Fees, Commissions Investor Relations Activities Changes of Business Acquisitions and Dispositions of Non-Cash Assets Stock Exchange Take-Over Bids and Issuer Bids Normal Course Issuer Bids Small Shareholder arrangements Name Changes Share Reclassifications, Consolidations and Splits, <u>shares for debt.</u>	Name Changes Share Reclassifications, Consolidations and Splits Transactions to related parties worth more than the lesser of \$10,000 and 10% of market cap Loans to issuer other than by a financial institution Payments of Bonuses, Finders' Fees or Commission Investor Relations Activities Changes in business. [Note: disclosure requirement, exchange does not approve transactions].		

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		valuation.				
V. Requirements for Continued Listing (Suspension/Delisting)						
A. General	<p>All markets have the discretion to delist or suspend a company that has made an assignment in bankruptcy, is no longer operating or that has a going concern note in their financials. Although CNSX doesn't have a specific requirement, it has general discretionary power to suspend or delist in the public interest. All markets can suspend or delist for failure to comply with listing requirements generally or to pay applicable fees.</p> <p>The delisting process is generally a two-stage process. In all but egregious cases, the issuer will be suspended for non-compliance and given a period of time (usually one year) to meet the original listing requirements. Generally speaking, the Canadian exchanges do not have extensive procedural provisions other than to ensure that an issuer has an opportunity to be heard prior to a delisting decision. American exchanges have quite extensive procedural requirements.</p>					
B. SPIs: Investment Funds	<p>Cannot be less than \$500,000 if part of group or \$5,000,000 in NTA.</p> <p>Less than 50,000 units.</p>	Same as Non-SPIs	Same as Non-SPIs	Same as Non-SPIs		<p><i>Closed End Funds</i> Public float value cannot be less than \$500,000 for more than 60 days</p> <p>Closed end fund issuers must continue to qualify under the Investment Company Act of 1940 unless it otherwise meets original listing requirements.</p>
C. Non SPIs	<p>Pre-tax cash flow of \$350,000 or, in the case of technology and resource companies, acceptable expenditures of \$350,000.</p> <p>Public distribution of 250,000 shares and 200 public board lot holders and public float worth \$1,500,000.</p> <p>Shareholder equity of less</p>	<p>Assets worth \$3,000,000 and revenues of \$3,000,000 or Acceptable R&D expenditures of \$1,000,000 or Acceptable exploration and development expenses of \$350,000 with revenues of \$3 million from resource sales</p> <p>Public distribution of 500,000 shares and 150 public board lot holders and a</p>	<p>Net Tangible Assets/ Property of \$250,000 (\$100,000 for technology/ industrial)</p> <p>Public distribution float of 300,000 500,000 listed shares held by 150 public board lot holders representing 10% of the total issued and a market cap of \$100,000.</p>	Exchange has discretion to delist if in the public interest.	<p>Global Select: Must meet original listing standards. If not, transferred to Global Market</p> <p>Global Market: At least 400 shareholders and must meet one of the following tests:</p> <p><u>Standard 1:</u> Stockholders' equity of \$10 million, public float of 750,000 shares worth \$5 million</p>	<p><i>Stockholder Equity</i> Stockholders' equity of \$2,000,000 if such issuer has sustained losses from continuing operations and/or net losses in two of its three most recent fiscal years; or</p> <p>stockholders' equity of \$4,000,000 if such issuer has sustained losses from continuing operations</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	than \$2 million.	market value of \$2 million with a total market cap of \$3,000,000.	<p><u>Working capital/ financial resources of \$50,000 or amount required to operate for 6 months, whichever is greater</u></p> <p><u>Must meet specified cash flow requirements or operating revenues or exploration / development expenses.</u></p>		<p>Standard 2: Market cap of \$50 million, public float of 1,100,000 shares worth \$15 million</p> <p>Standard 3: Total assets and revenue of \$50 million for the last fiscal year or two of the past three, public float of 1,100,000 shares worth \$15 million</p> <p>SPIs must generally have a public float worth \$1 million.</p> <p>Nasdaq Capital: 500,000 shares held by 300 public shareholders worth \$1 million and stockholders' equity of \$2.5 million and market cap of \$35 million and net income from continuing operations of \$500,000 in past fiscal year or two of three past</p>	<p>and/or net losses in three of its four most recent fiscal years; or stockholders' equity of \$6,000,000 if such issuer has sustained losses from continuing operations and/or net losses in its five most recent fiscal years.</p> <p>However, the Exchange will not normally consider suspending an issuer that does not meet these standards if the issuer has: A total value of market capitalization of \$50,000,000; or total assets and revenue of \$50,000,000 each in its last fiscal year or in two of its last three fiscal years; and has at least 1,100,000 shares publicly held, a market value of publicly held shares of at least \$15,000,000 and 400 board lot shareholders. Issuers falling therein.</p> <p><i>Distribution—</i> 200,000 common shares held by 300 public shareholders; 50,000 publicly held warrants or preferred shares</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
						<p><i>Market Value</i> Public float value cannot be less than \$1,000,000 for more than 90 consecutive days (\$400,000 for bonds)</p> <p>Bond issuers must be able to make principal and interest payments on bonds.</p>
VI. Corporate Governance						
A. General	Listed issuers must comply with NI 58-101.	Listed issuers must comply with NI 58-101 requirements for non-venture issuers.	Listed issuers must comply with NI 58-101 requirements for venture issuers.	Listed issuers must comply with NI 58-101 requirements for venture issuers. Foreign issuers must disclose how their governing legislation or constating documents differ materially from Canadian governance requirements.	Listed issuers must comply with Sarbanes-Oxley Act and other applicable law	Listed issuers must comply with Sarbanes-Oxley Act and other applicable law
B. Board and Management Composition	Board should have at least 3 independent directors or 1/3 independent, whichever is higher. Independence defined as in NI 52-110. ⁴²² Controlled corporations, foreign private, AB issuers and other SPIs are exempt. Issuer must have a CEO, CFO who is not also CEO and a secretary.	Board must have at least 2 independent directors. Issuer must have a CEO, CFO who is not also CEO and a secretary.	No requirement <u>Board must have at least 2 independent directors, a CEO, and CFO who is not also CEO. Directors must have adequate industry and reporting issuer experience.</u>	No requirement	Majority of the Board must be independent directors as defined. Controlled corporations and foreign private issuers are exempt.	Majority of the Board must be independent directors as defined. Controlled corporations and foreign private issuers are exempt.

⁴²² Words in italics mean new additions to Alpha's Listing Handbook.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
C. Audit Committee	NI 52-110	NI 52-110	Must have an audit committee of at least 3 directors, majority independent.	Issuers are encouraged, but not required, to appoint independent members	Audit committee must comprise at least 3 directors, all independent. Committee must have a charter conforming to Nasdaq rules.	Audit committee must comprise at least 3 directors, all independent. Committee must have a charter conforming to Amex rules.
D. Compensation Committee	CEO compensation must be determined by an entirely independent compensation committee or by majority of the independent directors in a vote in which only they participate. Reviews and approves incentive compensation plans and determines whether shareholder approval should be obtained. Controlled companies exempted, AB issuers and other SPIs.	No requirement	<u>No requirement</u> Shareholders generally must approve amendments to share-based compensation plans.	No requirement	CEO compensation must be determined by an entirely independent compensation committee or by independent directors in a vote in which only they participate.	CEO compensation must be determined by an entirely independent compensation committee or by independent directors in a vote in which only they participate.
VII. Security Holder Approval Requirements						
A. General	Required for backdoor listings.	General discretion to require shareholder approval (or majority of the minority) if a transaction materially affects control of the issuer ⁴³³ , or is non arm's length. Required for	Generally required if a security issuance (equity or debt) will result in a new control person. Required for backdoor listings All companies must comply with MI 61-101 <u>as adopted by</u>	Only required for backdoor listings	Shareholder approval required for change of control (no hard and fast definition).	Shareholder approval required for change of control (no hard and fast definition).

⁴³³ Alpha and CNSX must approve new control persons.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		backdoor listings.	<u>TSXV in its rulebook re:</u> shareholder approval of related party transactions			
B. Private Placements	<p>No requirement for arm's-length placements done at or above the market price.</p> <p>Shareholder approval required for arm's-length placements if priced at discounts larger than permitted or for potential issuance of 25% or more of the current outstanding at any discount. Minority shareholder approval required if insiders increase position by more than 10% in a twelve-month period.</p>	<p><u>No requirement for arm's-length placements done at or above the market price.</u></p> <p>Required if securities are issued at more than the maximum permitted discount (shareholders participating in the placement are not to vote), the placement involves the issuance or potential issuance of more than 25% of the outstanding securities at any discount; Minority shareholder approval required if insiders increase position by more than 10% in a six-month period.</p>	Disinterested shareholder approval if (i) will result in a new control person, (ii) it appears to be a defensive tactic to a takeover bid or (iii) if it is a related party transaction.	No requirement. Issuers not permitted to issue securities at more than the maximum permitted discount.	<p>Required for placements done below the greater of market and book value if more than 20% of the common stock or voting power is issued or issuable, either by the company alone or together with sales by officers, directors and substantial shareholders.</p> <p>Exemption for companies in financial distress that cannot wait for shareholder approval. Audit committee or independent directors must approve reliance on the exemption</p>	Required for placements done below the greater of market and book value if more than 20% of the common stock or voting power is issued or issuable, either by the company alone or together with sales by officers, directors and substantial shareholders.
C. Public Offering	Rules for private placements apply.	Exchange has discretion to apply rules for private placements.	No requirement.	No requirement.	No requirement Nasdaq has discretion to deem an offering not to be a public offering.	No requirement.
D. Defensive Tactics	Poison pill rights plans must be ratified by shareholders	Poison pill rights plans should be ratified by shareholders	Required for placements that appear to be defensive measure to a	No specific requirements.	Governed by state law?	Governed by state law?

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	within 6 months of adoption.	within 6 months of adoption.	take-over			
E. Related Party Transactions (Not involving share issuances)	None, but disclosure required if value greater than 10% of market cap.	None for exempt issuers. For non-exempt, board approval with independent valuation if consideration to insiders is greater than 2% of market cap, shareholder approval if greater than 10%.		None, but disclosure required if value greater than the lower of 10% of market cap and \$10,000.	Governed by state law?	Governed by state law?
F. Related Party Transactions that involved share issuances	Shareholder approval needed if transaction provides consideration to insiders in aggregate of 10% or greater of mkt. capitalization of issuer in the preceding 12 months (for private placement and acquisitions). The insiders participating in the transaction are not eligible to vote their securities in respect of such approval.	Shareholder approval needed if transaction provides consideration to insiders in aggregate of 10% or greater of mkt. capitalization of issuer (for Private placements in the preceding 6 months) and has not been negotiated at arm's length. The insiders participating in the transaction are not eligible to vote their securities in respect of such approval.	All issuers must comply with MI 61-101 Related Party Transactions whether or not they are reporting issuers in Ontario or Quebec.			
G. Qualifying Transaction for SPACs/CPCs	N/A: SPACs/CPCs do not qualify for listing.	Required	Required	N/A: SPACs/CPCs do not qualify for listing.		
H. Equity Compensation	Governed by shareholder approval	Required when plan instituted and	Required if the plan, together with all other	No specific requirements, governed by	Required for establishment and material	Required for establishment and material

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>requirement in NI 45-106. Required when grant is for any person not previously employed by issuer and issuable securities exceed 10%. Board approval generally required for amendments to compensation plans and shareholder approval in certain circumstances .</p>	<p>for any amendment where approval is required by §613(i), and every three years if the plan does not have a fixed maximum number of securities issuable. Unlike other requirements this must be done at a meeting and cannot be done by resolution signed by a majority of shareholders. Required when grant is for any person not previously employed by issuer and issuable securities exceed 2%.</p>	<p>plans, could result in the issuance of more than 10% of the outstanding. Rolling plans must be approved annually.¹⁴⁴ This must be done at a meeting and cannot be done by resolution signed by a majority of shareholders. There are more complicated requirements for when disinterested shareholder approval is required.</p>	<p>shareholder approval requirement in NI 45-106.</p>	<p>amendment of equity compensation arrangements with some limited exceptions.</p>	<p>amendment of equity compensation arrangements with some limited exceptions.</p>
<p>I. Acquisition for Non-SPIs⁵</p>	<p>Required if more than 25% of the outstanding shares/votes to be issued, or If securities issued or issuable to insiders as a group in payment of the purchase price for an acquisition exceeds 10% of the number of securities of the listed issuer in preceding 12 months and issuable securities</p>	<p>Required if the acquisition involves the issuance of more than 25% of the outstanding securities; or if insiders will receive more than 10% of the outstanding securities (needs majority of minority approval).</p>			<p>Required if more than 20% of the outstanding shares/votes to be issued, or insiders have a 5% interest individually (or 10% as a group) in the assets acquired and the transaction will result in issuance of 5% or more of common shares/votes.</p>	<p>Required if more than 20% of the outstanding shares/votes to be issued, or insiders have a 5% interest individually (or 10% as a group) in the assets acquired and the transaction will result in issuance of 5% or more of common shares/votes.</p>

¹⁴⁴ Approval is not required if the issuer is conducting an IPO and discloses details of the plan in the prospectus.

⁵ There are specific rules for SPIs

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	exceed 5% of outstanding securities.					
VIII. Exchange Sanctions						
A. General	Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer	Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer	Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer	Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer		Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer
B. Public Reprimand	Can issue	No provision	No provision	No provision		No provision
C. Officer and Directors	May require replacement if responsible for failure to comply with Alpha rules or securities law.	No <u>explicit</u> provision <u>for replacement</u> but in practice can achieve.	No provision but in practice can achieve <u>May require replacement if unacceptable.</u>	No provision but in practice can achieve.		

APPENDIX B



LISTING STANDARDS COMPARISON CHART

The chart was prepared on a best efforts basis with the purpose of providing some general context (not intended to be a detailed list) to the listing requirements being proposed by Alpha Exchange Inc.

Summary Information for Alpha and for all other exchanges other than Alpha as of December, 2010

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
I. Original Listing						
A. Distribution						
SPIs: Investment Funds	For each series or class, at least 100,000 units outstanding.	TSX considers applications from SPIs on a case by case basis and will consider: Objectives & strategy; Nature and size of assets; Anticipated operating and financial results; Track record & expertise of managers & advisors; Level of investor & market support for the issuer.	Same as TSX and <i>Tier 1:</i> 1,000,000 freely tradable shares held by 250 public board lot holders <i>Tier 2:</i> 500,000 freely tradable shares held by 200 public board lot holders	Same as TSX	Global Select: Same as for non SPIs Global Market: Generally 1,100,000 shares held by 400 public board lot holders unless traded in \$1000 denominations, in which case, 100 shareholders. Nasdaq Capital: SPIs trade on Global market	Investment Trusts: 1,000,000 units held by 800 public shareholders Other: At least 1,000,000 units held by 400 public shareholders unless traded in \$1000 denominations or redeemable at holder's option on at least a weekly basis, unless the security is treated as equity (e.g. equity linked term notes)
Non SPIs	<i>Tier 1:</i> Public float of 500,000 shares held by 800 public board lot holders or public float of 1,000,000 shares held by 400 public board lot	1,000,000 freely tradable shares held by 300 public holders	<i>Tier 1:</i> 1,000,000 freely tradable shares held by 250 public board lot holders <i>Tier 2:</i> 500,000 freely tradable	At least 500,000 freely-tradable shares held by 150 public board lot holders. The public float must constitute at	Global Select: 1,250,000 shares held by at least 2200 public shareholders, 450 of whom hold a board lot. Global Market: 1,100,000 shares held by	Equity: At least 500,000 shares held by 800 public shareholders or 1,000,000 shares held by 400 public shareholders. Companies with 500,000

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>holders.</p> <p>Tier 2: Public float of 1,000,000 shares held by 250 public board lot holders.</p>		<p>shares held by 200 public board lot holders</p> <p><i>Both Tiers:</i> Public float must be at least 20% of the issued and outstanding securities..</p>	<p>least 10% of the outstanding, but can go down to 5% if there are 200 public board lot holders.</p>	<p>400 public board lot holders</p> <p>Nasdaq Capital: 1,000,000 shares (400,000 ADRs) held by 300 public board lot holders.</p>	<p>shares held by 400 holders may be eligible if average daily trading volume over past 6 months is 2000 shares.</p> <p>Preferred: 100,000 publicly held shares if common stock listed on Amex or NYSE, 400,000 shares held by 800 public shareholders if not.</p> <p>Warrants: Considered on a case-by-case basis must have at least 200,000 warrants held by public warrant holders and underlying must be listed on Amex or NYSE.</p> <p>Currency and Index Warrants: At least 1,000,000 warrants held by 400 public warrant holders or 2,000,000 held by a smaller number determined on a case-by-case basis.</p> <p>Other: At least 1,000,000 units held by 400 public shareholders unless traded in \$1000 denominations or redeemable</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
						at holder's option on at least a weekly basis. Foreign: <i>Canadian issuers:</i> same as US but both Canadian and US public holders counted. <i>Other:</i> 1,000,000 shares held worldwide by 800 worldwide shareholders
Initial Listing – Technology and R&D Alternative Distribution	Not separate Category but alternative test for Tier 2: Public float of 1,000,000 shares held by 200 public board lot holders.	Market value of \$50 million and public float of \$10 million (technology issuers only)	No alternative test	No alternative test	No alternative test	No alternative test
B. Minimum Price/ Float Market Value						
SPIs:	<i>Issuers other than investment funds—</i> Issuer must be listed and must have a market capitalization of at least \$150 million.				Global Select: <i>Minimum Public Float Value:</i> \$110 million or \$100 million if stockholders' equity of \$110 million <i>Closed-end management investment company:</i> \$70 million. If listed with other funds in the family, total of \$220 million for the family and average of \$50 million for each fund and minimum of \$35 million. Global Market: Generally, \$4 million.	Closed End Management Investment Companies: \$20 million public float value or net asset value or, if part of a group, \$10 million public float or net asset value or average for group of \$15 million. Other: \$4 million public float value

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
Non SPIs	<p><i>Tier 1:</i> Minimum Public Float Value— \$3,000,000.</p> <p><i>Tier 2:</i> Minimum Public Float Value— \$1,000,000.</p>	<p>Minimum Public Float Value— \$4 million</p>	<p>Exchange will use discretion if shares issued at less than \$0.05 prior to listing.</p> <p>If seed share price is lower than 75% of IPO price various categories of escrow release periods apply.</p>	<p>Minimum Public Float Value— \$50,000</p> <p>IPO price cannot be less than \$0.10 per share</p> <p>Builders shares (shares issued to insiders for which a hard value cannot be established) cannot have been issued for less than \$0.005 in the previous 18 months. Exchange will use discretion with respect to builder shares issued between \$0.005 and \$0.02.</p>	<p>Global Select: Minimum Public Float Value:</p> <p>\$110 million or \$100 million if stockholders' equity of \$110 million or market value of \$45 million for IPO or spinoff of other Global Select issuer</p> <p>Global Market: See assets</p> <p>Nasdaq Capital: See assets</p>	<p>Equity: Minimum Price —Listing standard 3: \$2 Listing Standards 1, 2 and 4: \$3</p> <p><i>Public Float Value</i> — Listing Standard 1: \$3,000,000 Listing standards 2 & 3: \$10 million Listing Standard 4: \$20 million</p> <p><i>Market Capitalization:</i> Listing standard 3: \$50 million Listing standard 4: \$75 million</p> <p>Preferred: \$10 price, \$2 million public float value if common listed on Amex or NYSE, \$4 million if not</p> <p>Currency or Index Warrants: Initial price of \$6 with aggregate public float value of \$12 million.</p> <p>Bonds: \$5 million public float value</p> <p>Other: \$4 million public float value</p> <p>Foreign: <i>Canadian issuers:</i> same as US but both</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
						Canadian and US public holders counted. <i>Other:</i> \$3 million worldwide
Tech/R&D Alternative	Not separate category but alternative test for Tier 2: Minimum Public Float Value — \$1 million.	Market value of \$50 million and public float of \$10 million (technology issuers only).	No alternative test	No alternative test	No alternative test	No alternative test
C. Assets/Operations						
SPIs: Investment Funds	<i>Investment funds</i> — Net tangible assets (NTA) of \$10 million or NTA of \$1 million that is part of a group with aggregate NTA of \$20 million and all are listed.	TSX considers applications from SPIs on a case by case basis and will consider Objectives & strategy; Nature and size of assets; Anticipated operating and financial results; Track record & expertise of managers & advisors; Level of investor & market support for the issuer.	Investment Companies: <i>Tier 1:</i> - \$10 million NTA - a publicly disclosed investment policy <i>Tier 2:</i> -\$2 million NTA or \$3 million arm's length financing, disclosed investment policy and 50% of the applicant's available funds must be allocated to a minimum of two specific investments. Real Estate: <i>Tier 1:</i> -\$5 million NTA -significant interest in real property <i>Tier 2:</i> -\$2 million NTA or \$3 million arm's length financing	Investment companies: NTA of \$4 million or NTA of \$2 million, at least 50% of which has been allocated to at least 2 specific investments.	Global Select: No requirement for closed-end management investment companies Global Market: Generally, if company meets the income test in "other", more than \$100 million in assets and stockholders' equity of \$10 million. If company does not meet income test, either \$200 million in assets and equity of \$10 million, or \$100 million in assets and equity of \$20 million	In addition to the regular original listing requirements: Closed End Management Investment Companies: \$20 million public float value or net asset value or, if part of a group, \$10 million public float or net asset value or average for group of \$15 million. Currency and Index Warrants: Minimum tangible net worth of \$250,000,000 or \$150 million and original listed price of all listed warrants is more than 25% of net worth. Specific tests for different types of securities. Other

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			-significant interest in real property			Assets of \$100 million and stockholders' equity of \$10 million or, if unable to satisfy earnings criteria, assets of \$200 million and stockholders' equity of \$10 million or assets of \$100 million and stockholders' equity of \$20 million. Investment Trusts: Total assets of \$100 million and net worth of \$10 million
Non SPIs	We do not have an asset requirement for non-SPIs.	Industrial <i>Exempt:</i> Net tangible assets of \$7.5 million. <i>Non-exempt:</i> - Profitable companies must have net tangible assets of \$2 million,.. - Companies with less than \$2 million in NTA may qualify if they meet the earnings and cash flow requirements for exempt companies. - Companies forecasting profitability must have net tangible assets of \$7.5 million Tech companies <i>Non-exempt:</i> -Evidence that the company's	Tech/ Industrial <i>Tier 1:</i> - net tangible assets of \$5million or revenue of \$5 million -significant interest in business or asset used to carry on business -history of operations or validation of business; <i>Tier 2:</i> - net tangible assets of \$750,000 or revenue of \$500,000 or arm's length financing of \$2 million -significant interest in business or asset used to carry on business -history of		Global Market: <u>Listing Standard 1:</u> Annual income from continuing operations before income taxes of at least \$1,000,000 in the most recent fiscal year or two of the three previous, stockholders' equity of \$15 million and public float value of \$8 million OR <u>Listing Standard 2:</u> Stockholders' equity of \$30 million, two year operating history and public float value of \$18 million OR <u>Listing Standard 3:</u> Market cap of \$75 million (with	<u>Listing Standards 1, 2 & 3:</u> Stockholders' equity of \$4 million <u>Listing Standard 4:</u> Total assets of \$75 million in last fiscal year, of 2 of its last 3 fiscal years.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		<p>products and services are at an advanced stage of development of commercialization and that the company has the necessary management expertise and resources to develop the business.</p> <p>R&D companies must have technical expertise and resources to advance its program, and a minimum two-year operating history that includes research and development activities.</p>	operations or validation of business		<p>a minimum price of \$4) and public float value of \$20 millions</p> <p>OR</p> <p><u>Listing Standard 4:</u> Total assets and revenues of \$75 million each for the most recent fiscal year or two of the three most recent.</p> <p>Nasdaq Capital: <u>Listing Standard 1:</u> Stockholders' equity of \$5 million, public float value of \$15 million and two-year operating history</p> <p><u>Listing Standard 2:</u> Market cap of \$50 million (minimum price \$4), stockholders equity of \$4 million and public float worth \$15 million</p> <p><u>Listing Standard 3:</u> Net income from continuing operations of \$750,000 in the past fiscal year or two of the three past, stockholders' equity of \$4 million and public float worth \$5 million</p>	
Other – Mining	We do not have a separate category.	<i>Exempt</i> Net tangible assets of \$7.5 million,	<i>Tier1:</i> - net tangible assets of \$2,000,000 -material	Title to a property on which there has been exploration	No separate category for mining	No separate category for mining

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		<p><i>Non-exempt</i> Producing mining companies must have net tangible assets of \$4 million. Exploration and development-stage companies must have net tangible assets of \$3 million, Must hold or have a right to earn a 50% interest in the qualifying property.</p>	<p>interest in a Tier 1 property with a work program with an initial phase of not less than \$500,000 and satisfaction of other Tier 1 property requirements</p> <p><i>Tier 2:</i> - No NTA requirement -significant interest in a qualifying property or right to earn one. -At least \$100,000 in expenditures on qualifying property in previous 36 months and work program with initial phase of \$200,000</p>	<p>and a report complying with NI 43-101 recommends further exploration.</p>		
Other – Oil & Gas	We do not have a separate category.	See reserves	<p><i>Tier 1:</i> -no NTA requirement satisfactory work program of \$500,000 for exploration issuers and which can reasonably be expected to increase reserves</p> <p><i>Tier 2:</i> -no NTA requirement -unproven property with prospects, \$1.5 million allocated in a work program or - joint venture interest and \$5 million raised</p>	<p>Title to a property on which there has been exploration and a report complying with securities law recommends further exploration.</p>	No separate category for oil & gas	No separate category for oil & gas

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
			in prospectus offering. - satisfactory work program of at least \$300,000 if proved developed producing reserves are less than \$500,000.			
Other – R & D	We do not have a separate category.	<p>Tech Exempt Same as industrial</p> <p><i>Non-exempt</i> Evidence that the company's products and services are at an advanced stage of development of commercialization and that the company has the necessary management expertise and resources to develop the business. R&D companies must have technical expertise and resources to advance its program. And a minimum two-year operating history that includes research and development activities.</p>	Same as industrial	No separate category for R & D	No separate category for R & D	No separate category for R & D
D. Working Capital/Income						
SPIs: Investment Funds	Adequate working capital to carry on business and an appropriate capital	Adequate working capital to carry on business and an appropriate capital structure.	Real Estate/ Investment Tier 1: - adequate working capital and financial resources for 18 months and	A recent history as a listed company and working cap of \$50,000 or a minimum of \$100,000	Global Select: No requirement for closed-end management investment companies	

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	structure.		<p>\$200,000 in unallocated funds.</p> <p><i>Tier 2:</i> - adequate working capital and financial resources for 12 months and \$100,000 in unallocated funds.</p>		<p>Global Market See assets</p>	
Non SPIs	Adequate working capital to carry on business and an appropriate capital structure.	<p>Industrial Adequate working capital to carry on business and an appropriate capital structure.</p> <p>Technology: <i>Non-exempt:</i> - At least \$10 million in the treasury, the majority of which was raised in a prospectus offering, - adequate funds to cover all planned development and capital expenditures and general and administrative expenses for at least one year, Research and Development Companies must have a minimum of \$12 million in treasury and Adequate funds to cover operations (including all planned research and development expenditures) for a period of at least 2 years,</p>	Same as SPIs	A recent history as a listed company and working cap of \$50,000 or a minimum of \$100,000	<p>Global Select: <u>Category 1:</u> Aggregate income from continuing operations before income tax of \$11 million over the three prior fiscal years, positive income from continuing operations before income tax in each of the prior three fiscal years and \$2.2 million income from continuing operations before income taxes in each of the two most recent fiscal years OR <u>Category 2:</u> Aggregate cash flows of \$27.5 million over the prior three fiscal years, average market cap of \$550 million over the prior 12 months and total revenue of \$110 million in previous fiscal year OR <u>Category 3:</u> Average market cap of at least \$850 million</p>	<p><u>Listing Standard 1:</u> Pre tax income from continuing operations of \$750,000 in last fiscal year or 2 of 3 last fiscal years.</p> <p><u>Listing Standard 2:</u> No specific requirement, but must have two years of operations.</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
					over the prior 12 months and total revenue of at least \$90 million in the prior fiscal year OR Category 4: Market cap of \$160 million, total assets of \$80 million and stockholders' equity of \$55 million. Global Market: See assets Nasdaq Capital: See assets	
Other – Mining	We do not have a separate category.	<i>Exempt:</i> Adequate working capital and an appropriate capital structure. <i>Non-exempt:</i> At least \$2 million in working capital	Same as SPIs	Same as industrial	No separate category for mining	No separate category for mining
Other – Oil & Gas	We do not have a separate category.	<i>Exempt:</i> Adequate working capital and an appropriate capital structure. <i>Non-exempt:</i> Adequate funds to execute the program and cover all other capital expenditures as well as general, administrative and debt service expenses, for a period of 18 months with an allowance for contingencies.	Same as SPIs	Same as industrial	No separate category for oil & gas	No separate category for oil & gas

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
Other – R & D	We do not have a separate category but an alternative test for Technology and R&D for Tier 2: bona fide research and development expenses of at least \$250,000 in each of the previous two fiscal years.	No separate category for R & D	Same as SPIs	No separate category for R & D	No separate category for R & D	No separate category for R & D
E. Earnings from Ongoing Operations / Cash Flow						
SPIs: Investment Funds				Same as industrial	Global Select: See working cap Global Market See assets	
Non SPIs	<p>Tier 1: Pre-tax cash flow from continuing operations of at least \$700,000 in its last fiscal year</p> <p>Tier 2: Pre-tax cash flow from continuing operations of at least \$200,000 in its last fiscal year</p> <p>Commentary: if the issuer has experienced significant losses in any of last 3 fiscal years, Alpha will review the pre-tax cash flow for an additional two</p>	<p>Industrial Exempt Earnings from ongoing operations of at least \$300,000 - Pre-tax cash flow of at least \$700,000 in the preceding fiscal year and an average annual pre-tax cash flow of \$500,000 for the two preceding fiscal years.</p> <p>Non-exempt Profitable companies must have earnings from ongoing operations of at least \$200,000 before taxes and extraordinary items in the fiscal year immediately preceding the</p>	<p>Tech/ Industrial <i>Tier 1:</i> net tangible assets of \$5 million or revenue of \$5 million <i>Tier 2:</i> net tangible assets of 750,000 or revenue of \$500,000 or \$2 million of arm's length financing</p> <p>Both Tiers: If no revenue must provide a plan demonstrating likelihood of revenue within 24 months.</p>	Operating companies must have achieved revenues from the sale of goods and if not profitable, have a business plan that demonstrates a reasonable likelihood of profitability. Non-operating companies must have a reasonable plan to develop an active business and the financial resources to carry out the plan (achieve limited objectives that will advance their	<p>Global Select: See working cap Global Market See assets Nasdaq Capital: See assets</p>	

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	years.	application, and - pre-tax cash flow of at least \$500,000 in the fiscal year preceding the application. Companies forecasting profitability must have evidence of earnings from ongoing operations for the current or next fiscal year of at least \$200,000. - They should also have at least six months of operating history, including gross revenues at commercial levels for the preceding six months.		development to the stage where financing is typically available.		
Other – Mining	We do not have a separate category.	<i>Exempt</i> Pre-tax profitability from ongoing operations in the fiscal year immediately preceding the filing of the listing application, - Pre-tax cash flow of \$700,000 in the previous fiscal year and an average annual pre-tax flow of \$500,000 for the two preceding fiscal years.	No specific requirement	Same as industrial	No separate category for mining	No separate category for mining
Other – Oil & Gas	We do not have a separate category.	<i>Exempt</i> Pre-tax profitability from ongoing operations in	No specific requirement	Same as industrial	No separate category for oil & gas	No separate category for oil & gas

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		the fiscal year preceding the application, pre-tax cash flow of \$700,000 in the previous fiscal year and an average annual pre-tax cash flow of \$500,000 for the two preceding fiscal years.				
Other – R & D	We do not have a separate category but an alternative test for Tier 2: treasury of at least \$5M.	No separate category for R & D	No separate category for R & D	No separate category for R & D	No separate category for R & D	No separate category for R & D
F. Reserves						
SPIs: Investment Funds	N/A	N/A	N/A	N/A	N/A	N/A
Non SPIs	N/A	N/A	N/A	N/A	N/A	N/A
Other - Mining	N/A (no exploration companies qualify)	<p><i>Exempt:</i> Proven and profitable reserves to provide a mine life of at least 3 years.</p> <p><i>Non-Exempt:</i> Producing mining companies must have proven and probable reserves to provide a mine life of at least three years, together with evidence indicating a reasonable likelihood of future profitability;</p> <p>be in production or</p>	<p><i>Tier 1:</i> No reserve requirement.</p> <p><i>Tier 2:</i> - No reserve requirement.</p>	Title to a property on which there has been exploration and a report complying with NI 43-101 recommends further exploration.	No separate category for mining	No separate category for mining

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		<p>have made a production decision on the qualifying project or mine.</p> <p>Industrial mineral companies (i.e. the minerals produced are not readily marketable) will normally be required to submit commercial contracts to demonstrate a reasonable likelihood of future profitability, unless the company is presently generating revenues from production.</p> <p>Exploration and development-stage companies must have net tangible assets of \$3 million, an advanced property (generally, one in which continuity of mineralization is demonstrated in three dimensions at economically interesting grades),</p>				
Other – Oil & Gas	N/A (no exploration companies qualify)	<p><i>Exempt:</i> Proved developed reserves of \$7.5 million,</p> <p><i>Non-exempt:</i> Proved</p>	<i>Tier 1:</i> Exploration companies: \$3 million in developed and probable reserves, with at least \$1	Title to a property on which there has been exploration and a report complying with	No separate category for oil & gas	No separate category for oil & gas

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
		developed reserves ¹ of \$3 million a clearly defined program which can reasonably be expected to increase reserves	million developed. Producing companies: \$2 million in proved developed reserves <i>Tier 2:</i> Either \$500,000 proved developed producing reserves or \$750,000 in proved and probable reserves.	securities law recommends further exploration.		
G. Escrow						
SPIs: Investment Funds and Non SPIs	Governed by NP 46-201. Alpha issuers must have an escrow agreement that complies with the provisions of NP 46-201 respecting "established" issuers.	Governed by NP 46-201 and their own rules for non-exempt issuers. TSX junior issuers are considered "established" issuers. For exempt issuers no escrow necessary (Investment Funds).	Governed by NP 46-201 and their own rules. TSXV Tier 1 issuers are considered "established" issuers. All others are "emerging" issuers.	Not required except for backdoor listings. Otherwise, governed by NP 46-201. CNSX issuers are considered "emerging" issuers.		
II. International Companies						
SPIs and Non SPIs	Must be listed on a recognized and acceptable foreign exchange. Jurisdictions that are members of the IOSCO Technical Committee are deemed to be acceptable. Exemption from all or some	Must be listed on a recognized and acceptable exchange. Must demonstrate to exchange that it is able to comply with Canadian reporting and public company standards. This can be done if a board or management member or a consultant or	No specific requirements	No specific requirements		Public distribution requirements modified (see above), otherwise must meet original listing requirements. Exchange may reject companies with foreign ownership restrictions.

¹ Reserves that are expected to be recovered from existing wells and installed facilities or, if facilities have not been installed, that would involve a low expenditure, when compared to the cost of drilling a well, to put the reserves on production.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	Handbook requirements if subject to substantially similar regulatory and exchange listing regime as in Canada as well as similar requirements as those contained in the Listing Handbook.	employee is resident in Canada.				
III. Disclosure						
General	<p>All exchanges require listed companies to promptly disclose material information publicly. While the list of specific events requiring disclosure vary from market to market, in practice they won't often if ever have a result where something is material to one exchange and not to another. The one exchange that is somewhat different from the others is Nasdaq, as it ties its disclosure requirements to the SEC's Regulation FD and doesn't go beyond that.</p> <p>Exchanges generally require listed companies to file any periodic disclosure filed with a securities commission.</p>					
	<p>Issuer must give notice of any transaction involving or potentially involving an issuance of listed shares and post details in the appropriate form on the exchange website. Form includes certificate of compliance with applicable rules.</p> <p>Issuer must give prior notice of corporate actions affecting listed shareholders but not requiring</p>	<p>Issuer must give notice of any transaction requiring exchange approval.</p> <p>Issuer must give prior notice of corporate actions affecting listed shareholders but not requiring exchange approval (e.g. dividends, transfer agent changes, redemptions).</p> <p>Issuer must report share issuances on a monthly basis.</p>	<p>Issuer must give notice of any transaction requiring exchange approval.</p> <p>Issuer must give prior notice of corporate actions not requiring exchange approval (e.g. dividends, transfer agent changes)</p> <p>Issuer must report share issuances on a monthly basis.</p>	<p>Issuer must give notice of any transaction involving or potentially involving an issuance of listed shares and post details in the appropriate form on the exchange website. Form includes certificate of compliance with applicable rules.</p> <p>Issuer must give notice of any transaction considered a "significant transaction" and post details in the appropriate</p>	<p>Issuer must give prior notice of corporate actions affecting listed shareholders but not requiring exchange approval (e.g. dividends, transfer agent changes)</p> <p>Issuer must report share issuances on a monthly basis.</p>	<p>Issuer must give prior notice of corporate actions affecting listed shareholders but not requiring exchange approval (e.g. dividends, transfer agent changes)</p> <p>Issuer must report share issuances on a monthly basis.</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>exchange approval (e.g. dividends, transfer agent changes, redemptions).</p> <p>Issuer must give notice of any transaction considered a “significant transaction” and post details in the appropriate form on the exchange website. Form includes certificate of compliance with applicable rules.</p> <p>Above notices have to be posted at least 5 business days before the transaction takes place.</p> <p>Issuer must report share issuances on a quarterly basis and provide financial statements and MD&A in accordance with the requirements and filing deadlines.</p>			<p>form on the exchange website. Form includes certificate of compliance with applicable rules.</p> <p>Issuer must file monthly and quarterly updates (which include details of share issuances) and annually update listing statement and MD&A.</p>		
IV. Corporate Transactions						
A. General	Issuer must give notice of any transaction involving or potentially	Issuer must apply to list any shares to be issued and exchange must approve. Non-	Issuers must obtain approval for any share issuances or material	Issuer must give notice of any transaction involving or potentially	Issuer must give 15 days prior notice before -establishing or materially	Issuer must apply to list any shares to be issued. The rules set out required

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	involving an issuance of listed shares, any transaction deemed a “significant transaction” and backdoor listings and post details in the appropriate form on the exchange website. No exchange approval of transactions, shareholder approval of certain transactions (described below)	exempt issuers must obtain approval for material transactions. Shareholder approval required for certain transactions (described below).	transactions. Shareholder approval required for certain transactions (described below).	involving an issuance of listed shares, any transaction deemed a “significant transaction” and backdoor listings and post details in the appropriate form on the exchange website. No exchange approval of transactions, shareholder approval of backdoor listings	amending a stock option or other equity compensation plan -issuing securities that may result in a change of control -issuing shares in an M&A transaction if an insider has a 5% interest in the other company or insiders as a group have a 10% interest -transactions that may result in the issuance of more than 10% of the outstanding No specific requirements other than shareholder approval (detailed below)	disclosure depending on the transaction, but the forms are not posted on the website. No exchange approval or restrictions on pricing etc., but shareholder approval requirements (detailed below).
B. Private Placements	Maximum permitted discount: 25% if market price \$0.50 or less, 20% if \$0.51-\$2, 15% if above \$2. Can issue at greater discount with disinterested shareholder approval.	Maximum permitted discount: 25% if market price \$0.50 or less, 20% if \$0.51-\$2, 15% if above \$2. Can issue at greater discount with disinterested shareholder approval.	Maximum permitted discount: 25% if market price \$0.50 or less, 20% if \$0.51-\$2, 15% if above \$2. Cannot be priced below \$0.05.	Maximum permitted discount: 25% if market price \$0.50 or less, 20% if \$0.51-\$2, 15% if above \$2. Cannot be priced below \$0.05.		
C. Warrants	<u>Unlisted</u> Cannot be exercisable at less than market price and cannot allow for purchase of more shares than issued in private placement for	<u>Unlisted</u> Cannot be exercisable at less than market price. <u>Listed</u> Considered on a case-by-case basis. Underlying must be listed,	<u>Unlisted</u> Cannot be exercisable at less than the greater of the specified premium over market price and \$0.10 and cannot allow for purchase of more shares	<u>Unlisted</u> Cannot be exercisable at less than market price and cannot allow for purchase of more shares than issued in private placement	Can only be listed if underlying listed	

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	<p>which it is a sweetener. Cannot do a bare issuance of warrants.</p> <p><u>Listed</u> Underlying must be listed, must have at least 100 warrant holders holding 100 warrants and 100,000 in total, warrant trust indenture must contain anti-dilution provisions.</p>	<p>must have at least 100 warrant holders holding 100 warrants and 100,000 in total, warrant trust indenture must contain anti-dilution provisions.</p>	<p>than issued in private placement for which it is a sweetener. Cannot do a bare issuance of warrants.</p> <p><u>Listed</u> At least 200,000 Warrants held by 75 board lot holders.</p>	<p>for which it is a sweetener. Cannot do a bare issuance of warrants.</p>		
D. Incentive and Compensation Options	<p>Cannot be at a discount to market at time granted. Cannot be priced if undisclosed material information.</p>	<p>Cannot be at a discount to market at time granted. Cannot be priced if undisclosed material information. Limits(set by Issuer) on how many options may be subject to the plan or granted to one recipient.</p>	<p>Cannot be at a greater discount to market at time granted than permitted for private placement. Cannot be priced if undisclosed material information. Limits on how many options may be subject to the plan or granted to one recipient.</p>	<p>Cannot be at a discount to market at time granted. Cannot be priced if undisclosed material information. Terms cannot be changed once issued – issuer must cancel and wait 30 days before granting new option.</p>		
E. Issued to Charities		<p>May be issued for no consideration on a de minimis basis</p>	<p>May be issued for no consideration on a de minimis basis</p>			
F. Rights Offerings	<p>Rights must be transferable and issued on a one right per share basis. Offering must be unconditional. Beneficial holders must</p>	<p>Rights must be transferable and issued on a one right per share basis. Offering must be unconditional. Beneficial holders must have same rounding up</p>	<p>Rights must be transferable and issued on a one right per share basis. Offering must be unconditional. Beneficial holders must have same rounding up</p>	<p>Rights must be transferable and issued on a one right per share basis. Offering must be unconditional .</p>		

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	have same rounding up privilege as registered.	privilege as registered.	privilege as registered.			
G. Prospectus Offerings	Pricing and shareholder approval requirements for private placements apply to prospectus offerings.	Exchange has discretion to apply pricing and shareholder approval requirements for private placements to prospectus offerings.	Price should not be more than 20% discounted from market and cannot be below \$0.05. If a unit with warrants, warrants must be exercisable at market price. Agent and underwriter compensation regulated. Exchange also has a short-form offering document that is exempt from the prospectus requirements in some provinces.			
H. Shares for Debt	Treated as private placements	Treated as private placements	Treated in a separate category but in essential aspects of pricing and shareholder approval are the same as private placements. Issuer must certify that cash not available to pay the debt.	Treated as private placements		
I. Other Transactions Regulated	Name Changes Share Reclassifications, Consolidations and Splits, Take-over bids, Issuer bids, Transactions with related parties worth	<i>All issuers:</i> Take-Over Bids and Issuer Bids Normal Course Issuer Bids Sales from Control Block Small Shareholder Arrangements Name Changes Share Reclassification	Includes: Loans by Issuer Payments of Bonuses, Finders' Fees, Commissions Investor Relations Activities Changes of Business Acquisitions	Name Changes Share Reclassifications, Consolidations and Splits Transactions to related parties worth more than the lesser of \$10,000 and		

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	more than 10% of market cap. Loans to issuer other than by a financial institution. Payments of Bonuses, Finders' Fees or Commission. [Note: disclosure requirement only, exchange does not approve transactions].	s, Consolidations and Splits <i>Non-exempt issuers:</i> Exchange must approve proposed material changes as defined in timely disclosure policy. If consideration to insiders is more than 2% of market cap, must be approved by board and supported by an independent valuation.	and Dispositions of Non-Cash Assets Stock Exchange Take-Over Bids and Issuer Bids Normal Course Issuer Bids Small Shareholder arrangements Name Changes Share Reclassifications, Consolidations and Splits, shares for debt.	10% of market cap Loans to issuer other than by a financial institution Payments of Bonuses, Finders' Fees or Commission Investor Relations Activities Changes in business. [Note: disclosure requirement, exchange does not approve transactions].		
V. Requirements for Continued Listing (Suspension/Delisting)						
A. General	<p>All markets have the discretion to delist or suspend a company that has made an assignment in bankruptcy, is no longer operating or that has a going concern note in their financials. Although CNSX doesn't have a specific requirement, it has general discretionary power to suspend or delist in the public interest. All markets can suspend or delist for failure to comply with listing requirements generally or to pay applicable fees.</p> <p>The delisting process is generally a two-stage process. In all but egregious cases, the issuer will be suspended for non-compliance and given a period of time to meet the original listing requirements. Generally speaking, the Canadian exchanges do not have extensive procedural provisions other than to ensure that an issuer has an opportunity to be heard prior to a delisting decision. American exchanges have quite extensive procedural requirements.</p>					
B. SPIs: Investment Funds	Cannot be less than \$500,000 if part of group or \$5,000,000 in NTA. Less than 50,000 units.	Same as Non-SPIs	Same as Non-SPIs	Same as Non-SPIs		<p><i>Closed End Funds</i> Public float value cannot be less than \$500,000 for more than 60 days</p> <p>Closed end fund issuers must continue to qualify under the Investment Company Act of 1940 unless it otherwise meets original listing requirements.</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
C. Non SPIs	<p>Pre-tax cash flow of \$350,000 or, in the case of technology and resource companies, acceptable expenditures of \$350,000.</p> <p>Public distribution of 250,000 shares and 200 public board lot holders and public float worth \$1,500,000.</p> <p>Shareholder equity of less than \$2 million.</p>	<p>Assets worth \$3,000,000 and revenues of \$3,000,000 or Acceptable R&D expenditures of \$1,000,000 or Acceptable exploration and development expenses of \$350,000 with revenues of \$3 million from resource sales</p> <p>Public distribution of 500,000 shares and 150 public board lot holders and a market value of \$2 million with a total market cap of \$3,000,000.</p>	<p>Public float of 500,000 listed shares held by 150 public board lot holders representing 10% of the total issued and a market cap of \$100,000.</p> <p>Working capital/ financial resources of \$50,000 or amount required to operate for 6 months, whichever is greater</p> <p>Must meet specified cash flow requirements or operating revenues or exploration / development expenses.</p>	<p>Exchange has discretion to delist if in the public interest.</p>	<p>Global Select: Must meet original listing standards. If not, transferred to Global Market</p> <p>Global Market: At least 400 shareholders and must meet one of the following tests:</p> <p><u>Standard 1:</u> Stockholders' equity of \$10 million, public float of 750,000 shares worth \$5 million</p> <p><u>Standard 2:</u> Market cap of \$50 million, public float of 1,100,000 shares worth \$15 million</p> <p><u>Standard 3:</u> Total assets and revenue of \$50 million for the last fiscal year or two of the past three, public float of 1,100,000 shares worth \$15 million</p> <p>SPIs must generally have a public float worth \$1 million.</p> <p>Nasdaq Capital: 500,000 shares held by 300 public shareholders worth \$1 million and stockholders' equity of \$2.5 million and</p>	<p><i>Stockholder Equity</i> Stockholders' equity of \$2,000,000 if such issuer has sustained losses from continuing operations and/or net losses in two of its three most recent fiscal years; or</p> <p>stockholders' equity of \$4,000,000 if such issuer has sustained losses from continuing operations and/or net losses in three of its four most recent fiscal years; or stockholders' equity of \$6,000,000 if such issuer has sustained losses from continuing operations and/or net losses in its five most recent fiscal years.</p> <p>However, the Exchange will not normally consider suspending an issuer that does not meet these standards if the issuer has: A total value of market capitalization of \$50,000,000; or total assets and revenue of \$50,000,000 each in its last fiscal year or in</p>

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
					market cap of \$35 million and net income from continuing operations of \$500,000 in past fiscal year or two of three past	two of its last three fiscal years; and has at least 1,100,000 shares publicly held, a market value of publicly held shares of at least \$15,000,000 and 400 board lot shareholders. Issuers falling therein. <i>Distribution</i> — 200,000 common shares held by 300 public shareholders; 50,000 publicly held warrants or preferred shares <i>Market Value</i> Public float value cannot be less than \$1,000,000 for more than 90 consecutive days (\$400,000 for bonds) Bond issuers must be able to make principal and interest payments on bonds.
VI. Corporate Governance						
A. General	Listed issuers must comply with NI 58-101.	Listed issuers must comply with NI 58-101 requirements for non-venture issuers.	Listed issuers must comply with NI 58-101 requirements for venture issuers.	Listed issuers must comply with NI 58-101 requirements for venture issuers. Foreign issuers must disclose how	Listed issuers must comply with Sarbanes-Oxley Act and other applicable law	Listed issuers must comply with Sarbanes-Oxley Act and other applicable law

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
				their governing legislation or constating documents differ materially from Canadian governance requirements		
B. Board and Management Composition	Board should have at least 3 independent directors or 1/3 independent, whichever is higher. Independence defined as in NI 52-110. ² Controlled corporations, foreign private, AB issuers and other SPIs are exempt. Issuer must have a CEO, CFO who is not also CEO and a secretary.	Board must have at least 2 independent directors. Issuer must have a CEO, CFO who is not also CEO and a secretary.	Board must have at least 2 independent directors, a CEO, and CFO who is not also CEO. Directors must have adequate industry and reporting issuer experience.	No requirement	Majority of the Board must be independent directors as defined. Controlled corporations and foreign private issuers are exempt.	Majority of the Board must be independent directors as defined. Controlled corporations and foreign private issuers are exempt.
C. Audit Committee	NI 52-110	NI 52-110	Must have an audit committee of at least 3 directors, majority independent.	Issuers are encouraged, but not required, to appoint independent members	Audit committee must comprise at least 3 directors, all independent. Committee must have a charter conforming to Nasdaq rules.	Audit committee must comprise at least 3 directors, all independent. Committee must have a charter conforming to Amex rules.
D. Compensation Committee	CEO compensation must be determined by an entirely independent compensation committee or by majority of	No requirement	No requirement Shareholders generally must approve share-based compensation plans.	No requirement	CEO compensation must be determined by an entirely independent compensation committee or by independent	CEO compensation must be determined by an entirely independent compensation committee or by independent

² Words in italics mean new additions to Alpha's Listing Handbook.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	the independent directors in a vote in which only they participate. Reviews and approves incentive compensation plans and determines whether shareholder approval should be obtained. Controlled companies exempted, AB issuers and other SPIs.				directors in a vote in which only they participate.	directors in a vote in which only they participate.
VII. Security Holder Approval Requirements						
A. General	Required for backdoor listings.	General discretion to require shareholder approval (or majority of the minority) if a transaction materially affects control of the issuer ³ , or is non arm's length. Required for backdoor listings.	Generally required if a security issuance (equity or debt) will result in a new control person. Required for backdoor listings All companies must comply with MI 61-101 as adopted by TSXV in its rulebook re: shareholder approval of related party transactions	Only required for backdoor listings	Shareholder approval required for change of control (no hard and fast definition).	Shareholder approval required for change of control (no hard and fast definition).
B. Private Placements	No requirement for arm's-length placements done at or above the market price. Shareholder approval required for	No requirement for arm's-length placements done at or above the market price. Required if securities are issued at more than the maximum	Disinterested shareholder approval if (i) will result in a new control person, (ii) it appears to be a defensive tactic to a takeover bid or (iii) if it is a related party	No requirement. Issuers not permitted to issue securities at more than the maximum permitted discount.	Required for placements done below the greater of market and book value if more than 20% of the common stock or voting power is issued or issuable, either by the	Required for placements done below the greater of market and book value if more than 20% of the common stock or voting power is issued or issuable, either by the

³ Alpha and CNSX must approve new control persons.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	arm's-length placements if priced at discounts larger than permitted or for potential issuance of 25% or more of the current outstanding at any discount. Minority shareholder approval required if insiders increase position by more than 10% in a twelve-month period.	permitted discount (shareholders participating in the placement are not to vote), the placement involves the issuance or potential issuance of more than 25% of the outstanding securities at any discount; Minority shareholder approval required if insiders increase position by more than 10% in a six-month period.	transaction.		company alone or together with sales by officers, directors and substantial shareholders. Exemption for companies in financial distress that cannot wait for shareholder approval. Audit committee or independent directors must approve reliance on the exemption	company alone or together with sales by officers, directors and substantial shareholders.
C. Public Offering	Rules for private placements apply.	Exchange has discretion to apply rules for private placements.	No requirement.	No requirement.	No requirement Nasdaq has discretion to deem an offering not to be a public offering.	No requirement.
D. Defensive Tactics	Poison pill rights plans must be ratified by shareholders within 6 months of adoption.	Poison pill rights plans should be ratified by shareholders within 6 months of adoption.	Required for placements that appear to be defensive measure to a take-over	No specific requirements .	Governed by state law?	Governed by state law?
E. Related Party Transactions (Not involving share issuances)	None, but disclosure required if value greater than 10% of market cap.	None for exempt issuers. For non-exempt, board approval with independent valuation if consideration to insiders is greater than 2% of market cap, shareholder approval if greater than 10%.		None, but disclosure required if value greater than the lower of 10% of market cap and \$10,000.	Governed by state law?	Governed by state law?

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
F. Related Party Transactions that involved share issuances	Shareholder approval needed if transaction provides consideration to insiders in aggregate of 10% or greater of mkt. capitalization of issuer in the preceding 12 months (for private placement and acquisitions). The insiders participating in the transaction are not eligible to vote their securities in respect of such approval.	Shareholder approval needed if transaction provides consideration to insiders in aggregate of 10% or greater of mkt. capitalization of issuer (for Private placements in the preceding 6 months) and has not been negotiated at arm's length. The insiders participating in the transaction are not eligible to vote their securities in respect of such approval.	All issuers must comply with MI 61-101 Related Party Transactions whether or not they are reporting issuers in Ontario or Quebec.			
G. Qualifying Transaction for SPACs/CPCs	N/A: SPACs/CPCs do not qualify for listing.	Required	Required	N/A: SPACs/CPCs do not qualify for listing.		
H. Equity Compensation	Governed by shareholder approval requirement in NI 45-106. Required when grant is for any person not previously employed by issuer and issuable securities exceed 10%. Board approval generally required for amendments to compensation	Required when plan instituted and for any amendment where approval is required by §613(i), and every three years if the plan does not have a fixed maximum number of securities issuable. Unlike other requirements this must be done at a meeting and	Required if the plan, together with all other plans, could result in the issuance of more than 10% of the outstanding. Rolling plans must be approved annually. ⁴ This must be done at a meeting and cannot be done by resolution signed by a majority of shareholders. There are	No specific requirements, governed by shareholder approval requirement in NI 45-106.	Required for establishment and material amendment of equity compensation arrangements with some limited exceptions.	Required for establishment and material amendment of equity compensation arrangements with some limited exceptions.

⁴ Approval is not required if the issuer is conducting an IPO and discloses details of the plan in the prospectus.

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
	plans and shareholder approval in certain circumstances.	cannot be done by resolution signed by a majority of shareholders. Required when grant is for any person not previously employed by issuer and issuable securities exceed 2%.	more complicated requirements for when disinterested shareholder approval is required.			
I. Acquisition for Non-SPIs⁵	Required if more than 25% of the outstanding shares/votes to be issued, or If securities issued or issuable to insiders as a group in payment of the purchase price for an acquisition exceeds 10% of the number of securities of the listed issuer in preceding 12 months and issuable securities exceed 5% of outstanding securities.	Required if the acquisition involves the issuance of more than 25% of the outstanding securities; or if insiders will receive more than 10% of the outstanding securities (needs majority of minority approval).			Required if more than 20% of the outstanding shares/votes to be issued, or insiders have a 5% interest individually (or 10% as a group) in the assets acquired and the transaction will result in issuance of 5% or more of common shares/votes.	Required if more than 20% of the outstanding shares/votes to be issued, or insiders have a 5% interest individually (or 10% as a group) in the assets acquired and the transaction will result in issuance of 5% or more of common shares/votes.
VIII. Exchange Sanctions						
A. General	Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer	Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer	Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer	Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer		Suspension, Delisting, Determine a person not to be fit to be associated with a listed issuer
B. Public Reprimand	Can issue	No provision	No provision	No provision		No provision

⁵ There are specific rules for SPIs

	Alpha	TSX	TSX VE	CNSX	Nasdaq	Amex
C. Officer and Directors	May require replacement if responsible for failure to comply with Alpha rules or securities law.	No explicit provision for replacement but in practice can achieve.	May require replacement if unacceptable.	No provision but in practice can achieve.		